

**Manchester City Council  
Report for Resolution**

**Report to:** Economy Scrutiny Committee – 4 January 2017  
**Subject:** Broadband Delivery UK Digital Infrastructure Projects  
**Report of:** Head of Work and Skills

---

**Summary**

In June, 2016 Economy Scrutiny considered two reports which provided an overview of digital skills and digital infrastructure. The purpose of this report is to provide an overview of the specific activities that Manchester City Council and our partners have delivered to develop the city's digital infrastructure with support from funding programmes administered by Broadband Delivery UK (BDUK) on behalf of the Government.

The report provides the highlights of the digital infrastructure development activities delivered and is to be considered alongside the separate report by Regeneris, which provides an independent evaluation of the economic impact of the BDUK Broadband Connection Voucher Scheme. Regeneris will be in attendance at the meeting.

**Recommendations**

Members of the Committee are requested to note and comment on this report.

---

**Wards Affected:** All

---

**Contact Officers:**

Name: Angela Harrington  
Position: Head of Work and Skills  
Telephone: 234 1501  
E-mail: a.harrington@manchester.gov.uk

Name: Philip Bradley  
Position: Work and Skills Lead  
Telephone: 234 1580  
E-mail: p.bradley@manchester.gov.uk

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

Economy Overview and Scrutiny Committee Reports, 22 June 2016:

Digital Skills  
Internet Connectivity and Infrastructure

## **1.0 Introduction**

- 1.1 Our Manchester's ambition to be a connected city with world class infrastructure and connectivity to drive growth recognises that the city's digital infrastructure is critical to its future success, as this connectivity underpins growth across all sectors.
- 1.2 Digital Manchester 2012, Manchester's digital strategy has primary aims to be a city that is well connected, a city with ultrafast broadband and free Wifi in public places. It states a commitment to having ultrafast broadband available to all business by 2015.
- 1.3 Manchester's digital aim is to become one of the world's top 20 digital cities by 2020. The aim is to deliver a world-class solution for the whole City of Manchester area, which would see the provision of superfast broadband go deeper and faster than could otherwise be provided.
- 1.4 Manchester's digital objectives include;
  - a. Provide all residents and businesses with access to the Internet at high speeds, both in their premises and wirelessly across the city, including high-speed wireless in public spaces/squares, including the city and district centres, and transport corridors as an integral part of place shaping and public service transformation.
  - b. Help SMEs grow and generate new employment. Support to enable SMEs to access higher speeds through support for construction and connection charges is a particular priority.
  - c. Realise 100% broadband adoption by residents and businesses with more than 50% take-up of super-fast services in advance of 2020, in order to outperform European targets.
- 1.5 Economy Scrutiny Committee in June 2016 considered detailed reports on digital skill and the digital infrastructure in the City. This report provides an overview of the specific activities that Manchester City Council and our partners have delivered to develop the city's digital infrastructure with support from funding programmes administered by Broadband Delivery UK (BDUK) on behalf of the Government. It has made an important contribution but given the scope of the programme could only be part of the solution to developing the digital infrastructure that the City needs. This report should be considered alongside the report on the independent evaluation of the economic impact of the BDUK Broadband Connection Voucher Scheme.

## **2.0 Background**

- 2.1 In 2013, through its SuperConnected Cities Programme, the Government made up to £150m available to support UK cities to develop the digital infrastructure capability to remain internationally competitive and remain attractive for investors, businesses and visitors. As one of 22 participating cities, Manchester secured grant to provide:

- Wi-Fi in public buildings and on public transport
- The Central Library Demonstrator
- Broadband Connection Vouchers to small and medium sized businesses (SMEs)

2.2 Additionally from April 2015 Manchester participated in the Government's Superfast Britain Programme, which made up to £40m available to 50 UK cities to support an extended Broadband Connection Voucher Scheme.

### **3.0 BDUK Broadband Connection Voucher Scheme**

- 3.1 Manchester and Salford City Councils' original SuperConnected Cities Programme funding bids were to promote and provide connection vouchers to SMEs within the boundaries of the two cities only. Connection vouchers provided up to £3000 to SMEs towards the capital costs of securing a step change in their connectivity for which:
- Manchester was awarded £7.1m
  - Salford was awarded £4.89m.
- 3.2 There were two routes to market; one where the SME individually applied for a voucher and used it to purchase a broadband connection from a supplier. The second was where broadband suppliers registered directly with BDUK and used the vouchers to connect SMEs to superfast broadband with speeds etc that met the criteria. The latter drove volume and enabled smaller local providers to expand their market share but in some cases brought some risks because of the company capacity to keep pace with the growth. Overall as the evaluation shows the approach was effective and provides additional resilience to the City's digital infrastructure.
- 3.3 The Manchester SuperConnected Cities Programme grant included £670,000 for the establishment of a Demonstrator Suite in Manchester Central Library which is detailed further below.
- 3.4 Following a review in August 2014, the Manchester scheme was extended to cover strategically important postcodes in Oldham and Stockport. Similarly, the Salford scheme was extended to include targeted postcodes in Trafford. In addition to these boundary extensions, it was agreed that Manchester would administer the Salford scheme. Manchester claimed £3,571,030 utilising 68% of the SuperConnected Cities grant funding. Salford claimed £692,502 utilising 66% of the SuperConnected Cities grant funding. SuperConnected Cities Programme funding ended on 31 March 2015. It is worth noting that all other areas of Greater Manchester apart from Manchester and Salford were eligible for funding from the rural broadband programme.
- 3.5 Following a review in April 2015, the Manchester and Salford schemes were extended to cover the whole of Greater Manchester and strategically important postcodes in Cheshire East. Manchester City Council continued to administer the Salford scheme. From 1 April 2015, government funding has been provided through the Superfast Britain Programme, exclusively for the Connection Voucher Scheme. The scheme closed to new applicants in October 2015 when the £40m national fund was fully committed.

3.6 To date Manchester and Salford have claimed £3,460,042 and it is projected that £3,779,348 will be claimed, utilising 9.4% of the Superfast Britain Programme national challenge fund. Over the course of both the SuperConnected Cities and SuperFast Britain Programmes, 4081 vouchers had been connected of value £7,461,179 by 31 August 2016.

#### **4.0 Wi-Fi in Public Buildings**

4.1 Manchester City Council utilised a grant of £3.6m to deliver free to access Wi-Fi to 128 public buildings across the city. With over 55,000 connections per month, users connect to the Wi-Fi for a range of reasons, including searching for jobs, accessing City Council Services, dealing with benefits issues and accessing social media.

#### **5.0 Wi-Fi on Public Transport**

5.1 Transport for Greater Manchester delivered the Wi-Fi on Public Transport project on behalf of Manchester and Salford City Councils. Government grants of £1.8m funded the provision of free Wi-Fi internet access on 20 Metroshuttle buses and 120 Metrolink trams. Feedback on this service has been very positive, with many travellers indicating that Wi-Fi access is a necessity rather than a luxury. There is a direct correlation between the 5 to 25 minute average duration of the 330,000 Wi-Fi connections per month and the average journey times on Metroshuttle buses and Metrolink trams.

#### **6.0 Central Library Demonstrator Suite**

6.1 Funded by a grant of £670k for infrastructure costs and an additional £85k to purchase equipment, the Central Library Demonstrator project provides state of the art digital resources to demonstrate the benefits of superfast connectivity to SMEs and start-up businesses. The project offers “hands on” experience of new technologies and equipment, supported by a programme of demonstrations, training, workshops and other events to improve the skills and knowledge of residents and businesses.

6.2 Over 12,000 participants have benefited from training and other events delivered by the Central Library Demonstrator project. Feedback indicates that most participants would recommend attendance at the workshops/clinics to others.

#### **7.0 Connection Voucher Evaluation**

7.1 Across the whole of the UK, approximately 55,000 vouchers were issued and 42,000 connections resulted. The Greater Manchester scheme accounted for 11% of vouchers issued and 10% of connections nationally, placing the region second only to London in terms of number of SMEs who benefitted.

7.2 Utilising almost £8m government grant funding, £8.5m was invested across Greater Manchester and Cheshire East to support over 4000 SMEs to obtain superfast or ultrafast broadband connections for their businesses. Of these,

50% were based in Manchester where, for many SMEs, an affordable superfast broadband connection was previously not an option. 14% of Manchester's business base (14970 SMEs - Source: Office for National Statistics, 2014) benefited from improved connectivity as a result of the scheme.

- 7.3 Manchester City Council commissioned Regeneris to produce an independent evaluation of the impact of the Connection Voucher Scheme on the Greater Manchester and Cheshire East economy. The findings confirm that a £90m net increase in annual turnover, 440 new jobs and a £20m net increase in GVA are directly attributable to the Connection Voucher Scheme investment. There were greater enhancements to business growth and productivity where businesses had the digital skills to benefit from improved connectivity.

## **8.0 Conclusion**

- 8.1 The evaluation confirms that there was and remains a need to develop Manchester's digital infrastructure to stimulate economic growth within the city. The BDUK voucher scheme made an important contribution to improving digital infrastructure, in particular by connecting SMEs who might otherwise not have benefitted.
- 8.2 Whilst funding is no longer available for individual broadband connections, it is important that we recognise and promote the benefits of superfast and ultrafast connectivity as well as supporting the extension of resilience and choice amongst broadband suppliers. The report on Internet Connectivity and Infrastructure to this committee in June, highlighted that Digital Cities require speeds that more than keep up with demand if they are to be competitive and that capacity as well as speed is an issue for Manchester. Alongside investment in digital infrastructure there is a need for investment in digital skills for businesses and residents to maximise productivity and growth. The reports considered by this Scrutiny in June 2016, set out the issues the City needs to consider to address both.



# Impact of GM Connection Voucher Scheme





# Summary



Manchester City Council commissioned Regeneris Consulting to assess the economic impact of the Connection Voucher Scheme which provided grants to upgrade broadband connectivity for SMEs.

We estimate that the scheme has resulted in:



**£90m**  
NET IN ANNUAL  
TURNOVER



**440**  
NET NEW JOBS  
CREATED



**£20m**  
IN GVA (NET) FOR THE GREATER  
MANCHESTER AND CHESHIRE  
EAST ECONOMY

- Before the voucher scheme, many companies were put off from upgrading their broadband by high costs or lack of availability.
- Prior to receiving the Connection Voucher, most clients were using a Digital Subscriber Line (xDSL) and many experienced problems with their connection.
- The scheme has been successful in upgrading businesses to Fibre and Leased line/Ethernet connections that have delivered significant increases in download and upload speeds.
- Businesses have reported substantial improvements in the speed and reliability of their new connections. They have used their upgrade to change the way they run their businesses. Businesses which have increased their productivity have driven the economic impact and improved their business's performance.





## Background to Vouchers

- BDUK initiated a programme to enhance broadband connectivity in UK cities, initially focussing on 22 cities, including Manchester and Salford. Latterly the scheme was further opened up to allow 50 cities nationally to participate. Locally the Manchester and Salford Schemes were extended to include all of Greater Manchester and targeted areas of Cheshire East. The Manchester City Council team administered vouchers for Greater Manchester and Cheshire East.
- The scheme was designed to complement the much larger BDUK county programme that was investing in new Next Generation Access broadband infrastructure in the more rural final third of the UK. Mapping work revealed large inner-city areas were also poorly served by NGA and were home to concentrations of SMEs looking for costly business grade connectivity.
- Broadband was recognised by government as an important enabling infrastructure technology which could help boost the competitiveness of cities and the productivity of individual SMEs.
- The original process invited cities to propose investment plans which included new infrastructure. As state aid challenges came to the fore, much of the programme evolved into a demand-side voucher scheme for SMEs.
- The rationale for the programme centred on the assertion that the costs of securing the higher speeds and more reliable levels of service needed by SMEs were a barrier to wider spread uptake and economic growth.
- The scheme provided grants towards new broadband installation costs up to £3,000 per SME (excluding revenue charges and basic broadband connections).
- Vouchers needed to deliver a Step Change in connectivity ie either a
  - Next Generation Access service at min 30Mbps, or if already NGA-based at least a doubling of connectivity speed, or
  - business grade connection ie a minimum of 20Mbps on a dedicated/uncontended basis (regardless of technology), supported by a service level guarantee & capable of being to upgraded to 30Mbps.
- Eligible suppliers needed to register with BDUK to participate in the scheme. There were 144 suppliers registered in total across the GM and Cheshire East.
- Three routes were established to access voucher grants:
  - SME Applications: made to the local city based on a quote from a registered supplier.
  - Registered Suppliers: registered broadband suppliers were able to progress applications direct with BDUK, who then distributed voucher information to the cities to issue payments.
  - Group Schemes: businesses could pool vouchers to tackle abnormally high connection costs at multi-occupancy buildings or help negotiate reduced monthly ongoing costs (although the voucher could not fund revenue costs).



## Process Issues

### Voucher Administration

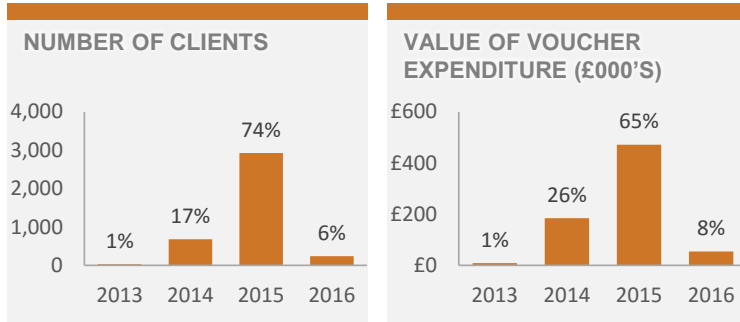
- SMEs had 28 days from their offer of a voucher to place an order and connections needed to be installed within scheme deadlines to be eligible.
- Cities were primarily responsible for making payments to suppliers and promoting the scheme, although suppliers increasingly played a more prominent role in generating demand from SMEs as the programme progressed.
- In each route payments were made by the City to the supplier once audit/confirmation in place. Cities & BDUK undertook monthly audits of supplier quotes and invoices, plus sample telephone and site visits to confirm the level of service actually in place.

### The Evaluation

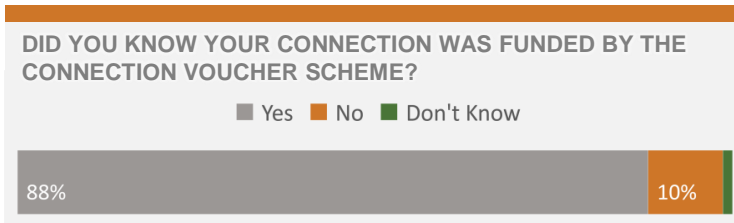
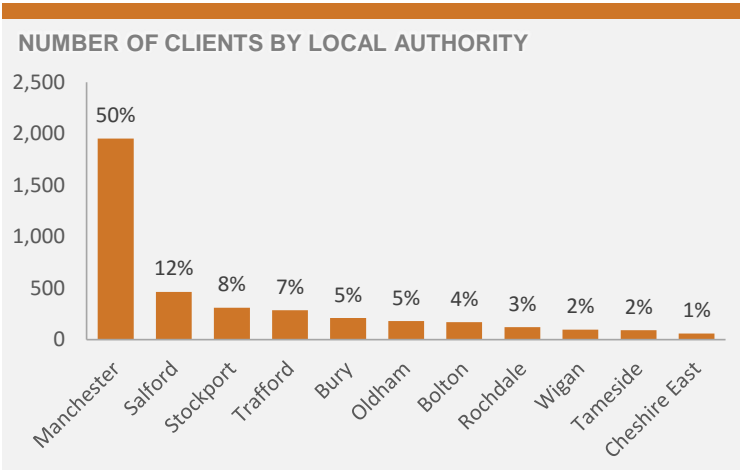
- Manchester City Council commissioned Regeneris Consulting to assess the economic impact of the Connection Voucher Scheme. The objectives of the study are to:
  1. Estimate the economic impact arising from the Connection Voucher scheme in terms of changes in employment, business turnover and gross value added.
  2. Analyse how businesses used the upgrade ie what changes they made in the operation of their business and the associated impact on business performance.
- A questionnaire was emailed to around 3,800 voucher recipients. The survey received 777 responses resulting in a response rate of 20%.
- It is worth noting that a number of clients were not satisfied with their experience of the scheme, these clients report that they receive little to no improvement in reliability, speed or overall service. Unsurprisingly, most of these clients did not provide any information on the changes in the use of the internet of business performance.



# Slow Start, Picking Up Momentum

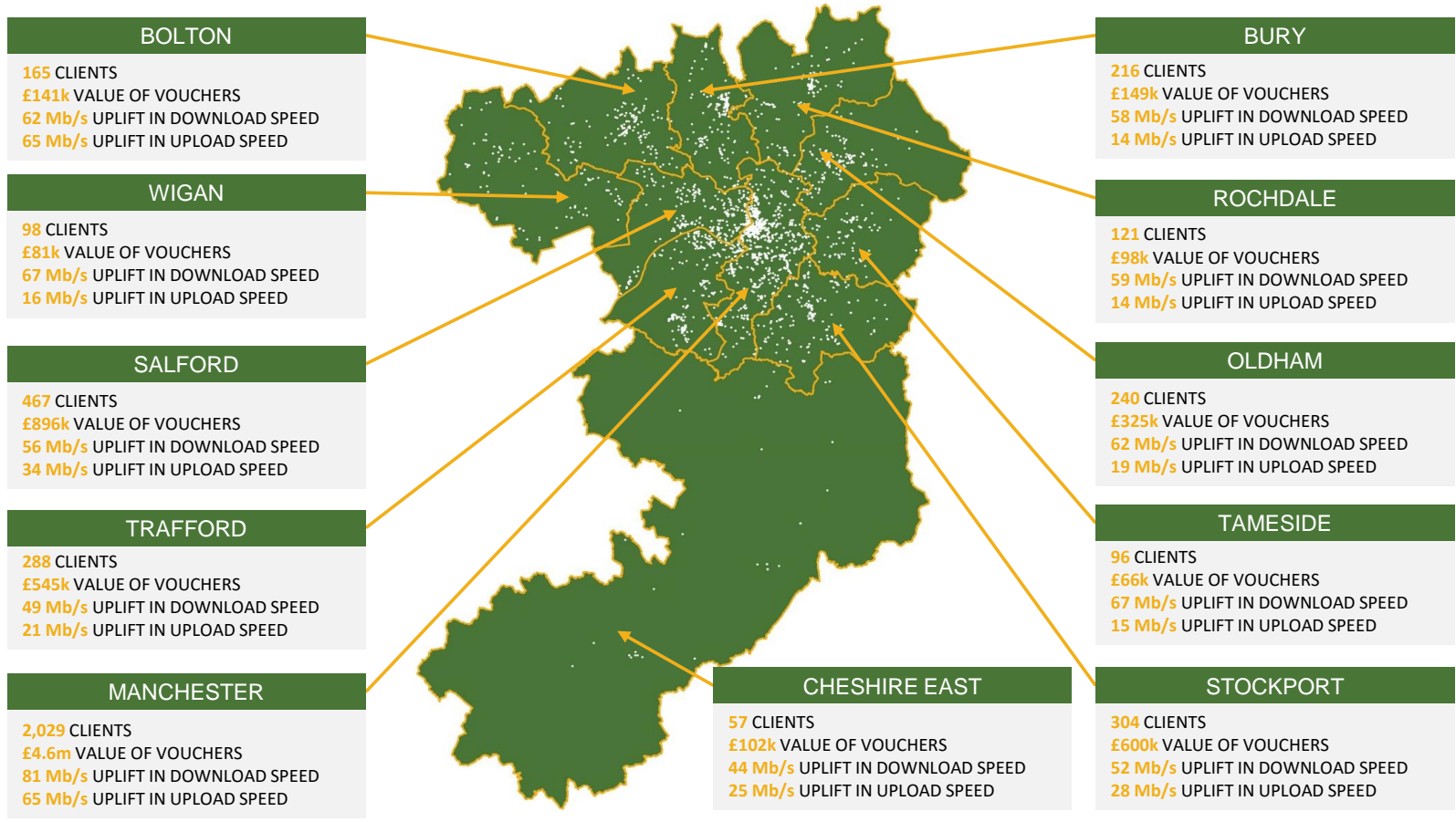


- The scheme has invested a total of £8.5m in 4,081 businesses since 2013, with a big surge in uptake and expenditure in 2015.
- Vouchers have been taken up across Greater Manchester and Cheshire East although half were in the city core of Manchester itself, where the greatest concentration of businesses can be found.
- Nearly 90% of the respondents to our survey knew their broadband connection had been funded by the voucher scheme.





# Geographic Profile of the Scheme

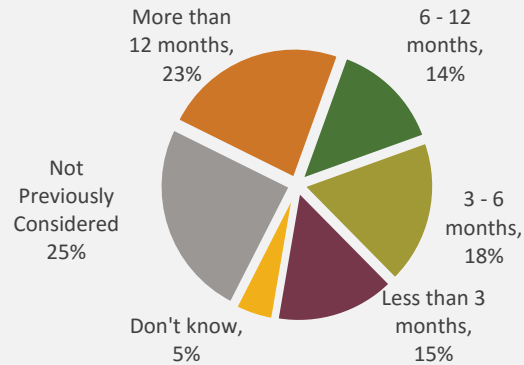


NB: Uplift speeds are averages of the district. The white dots on the map illustrate the distribution of the clients

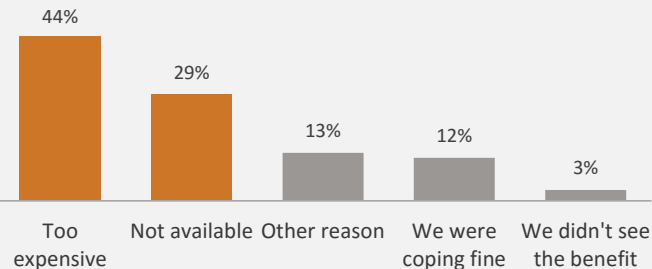


# A Need for Speed & Tackling Costs Have Driven Uptake

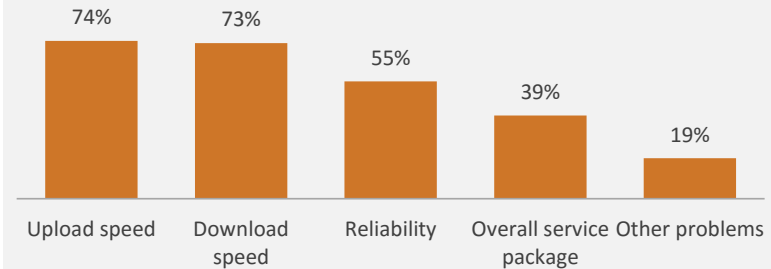
HOW LONG WERE YOU CONSIDERING AN UPGRADE TO YOUR CONNECTION?



WHAT BARRIERS WERE PREVENTING YOU FROM UPGRADING (IF CONSIDERED)?



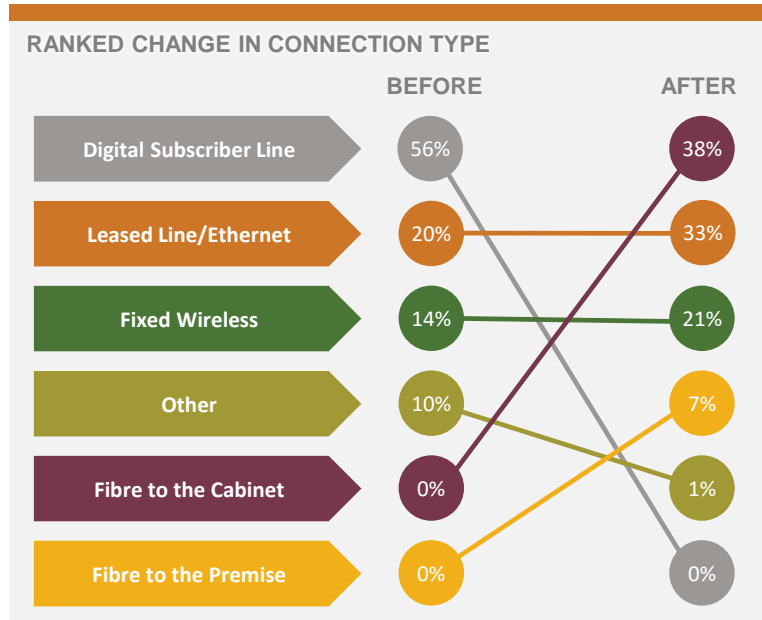
WHAT PROBLEMS WERE YOU HAVING WITH YOUR PREVIOUS CONNECTION?



- A quarter of voucher recipients had not previously considered upgrading their connection while a further 23% had been considering an upgrade for more than 12 months.
- Of those who had previously considered an upgrade, 44% were put off by the costs and one-third did not have the necessary service available in their area (at reasonable cost). Three quarters of voucher recipients had problems with the speed of their previous connection while 55% were troubled by the reliability of their connection.
- Businesses had a very mixed spread of levels of IT sophistication, covering the spectrum from Basic to Expert.



# Fibre Has Been Replacing DSL



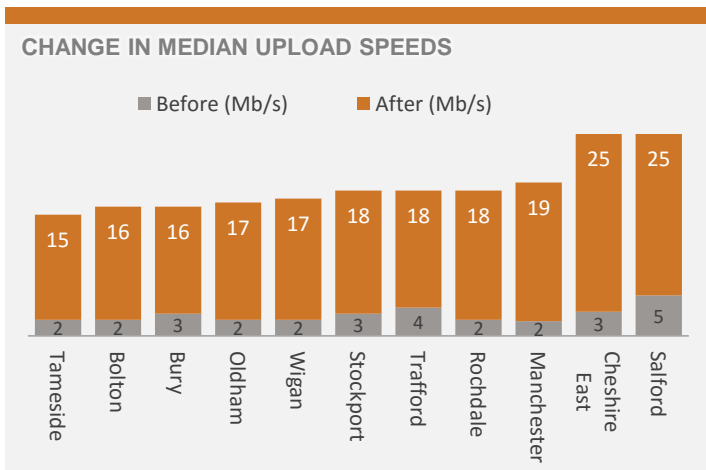
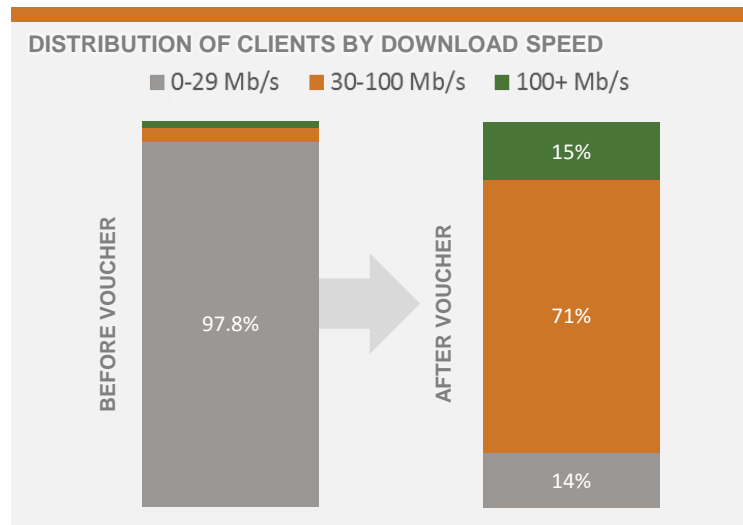
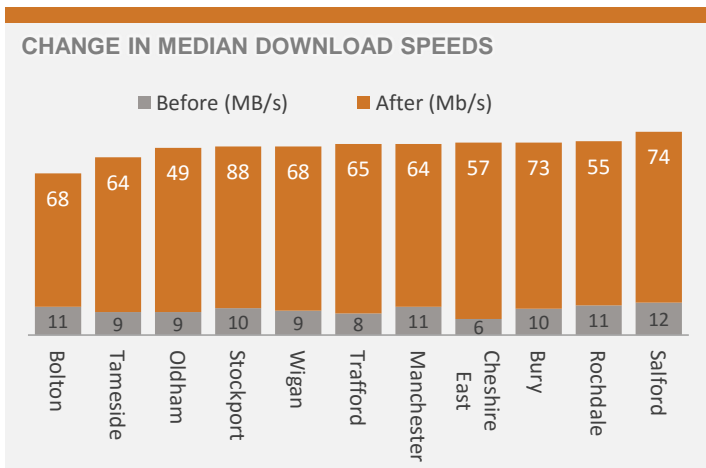
- 38% of upgraded to a FTTC connection and a small proportion (6%) subscribed to a more expensive FTTP service. Fixed wireless (21%) and Leased Line Ethernet solutions (33%) were also popular.
- Although around 130 broadband providers participated in the scheme, the top 10 operators supplied just under 80% of all connections.
- The largest provider was Metronet which supplied around 22% of connections. Metronet was particularly active in Manchester and Stockport. Other providers such as Virgin Media, BT, Maverick, ITC and Simply IP featured prominently in other districts.
- The five providers the supplied the largest uplift in download speeds are Concert Networks, M247 Ltd, Key Com, Virgin and Exa Networks Ltd.

- Prior to receiving the connection voucher, most businesses that already had broadband were signed up to a Digital Subscriber Line (xDSL) connection. Moreover, businesses that had a xDSL connection consistently reported problems with the reliability, speed and overall service. No businesses were upgrading from a Fibre To The Cabinet (FTTC) service.
- After receiving the vouchers, there was a clear shift from relatively slow services to faster connections.

Provider Name	% of clients
Metronet	22%
BT	13%
Telecom Networks Ltd	9%
Virgin	8%
TalkTalk	7%
ITC	7%
Telappliant	4%
Maverick Connected Ltd	3%
6G Internet	3%
ITS Technology Group	3%
<b>Total</b>	<b>79%</b>



# Significant Impact on Upload & Download Speeds



**80%** of surveyed clients were **satisfied** or **highly satisfied** with the speed of the new connection.

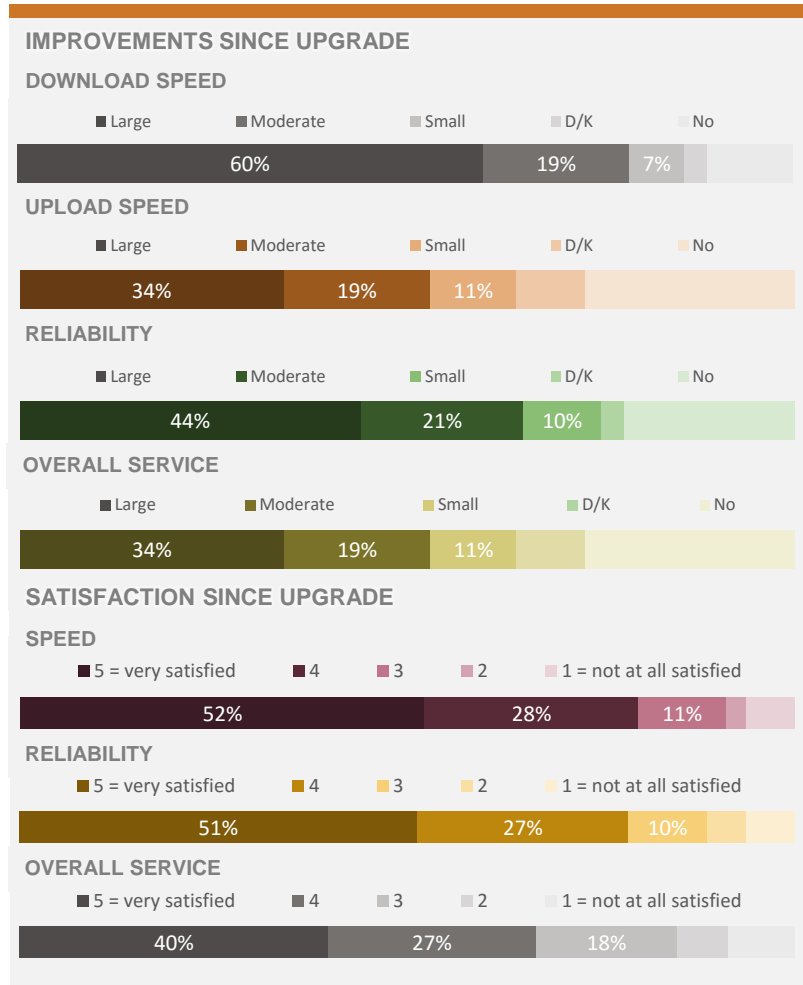
**66 Mb/s**  
AVERAGE UPLIFT  
IN DOWNLOAD  
SPEED

**40 Mb/s**  
AVERAGE UPLIFT  
IN UPLOAD SPEED

*x11 faster average download speed*  
*x16 faster average upload speeds*



# Improvements in Connectivity Have Been Broad-Based



- The connection voucher scheme has succeeded in enhancing the broadband speeds of supported businesses.
- 80% of clients report moderate to large improvements in their download speed and around 55% report moderate to large improvements in upload speed.
- Since upgrading, 65% of clients report a moderate to large improvement in the reliability of their connection while around 55% report an improvement in the overall service of their broadband.
- Businesses report being highly satisfied with the Speed & Reliability of their upgraded broadband service; on average, 75% of clients reported a satisfaction level of 4 or above across speed, reliability and overall service.
- Not surprisingly overall satisfaction levels are also high (although a little lower than for Speed & Reliability)

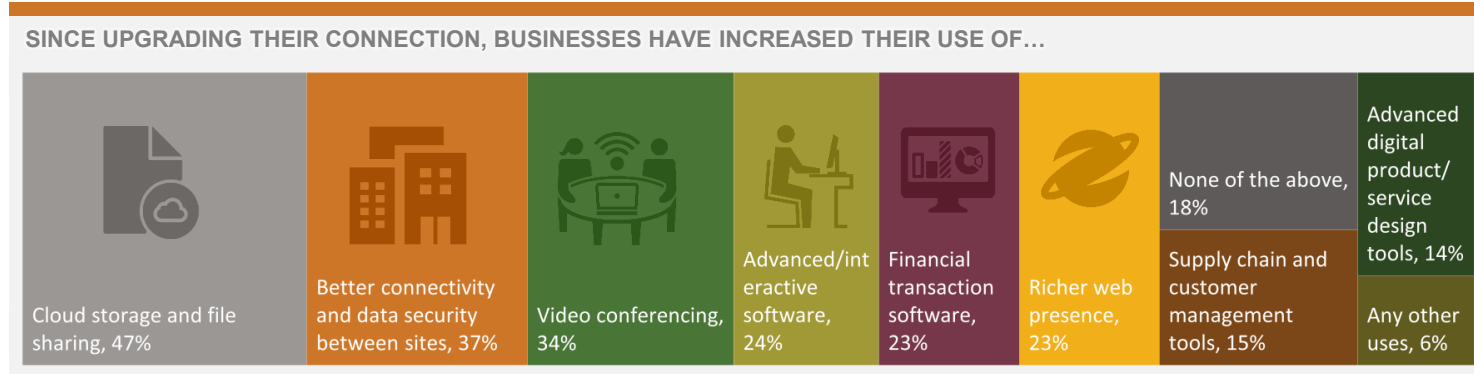
**65%**

of surveyed clients have reported a change in their internet usage since upgrading their connection





# Businesses Have Made Wide Use of Their Upgraded Connectivity



The higher speed and more reliable services have helped businesses change the way they operate.

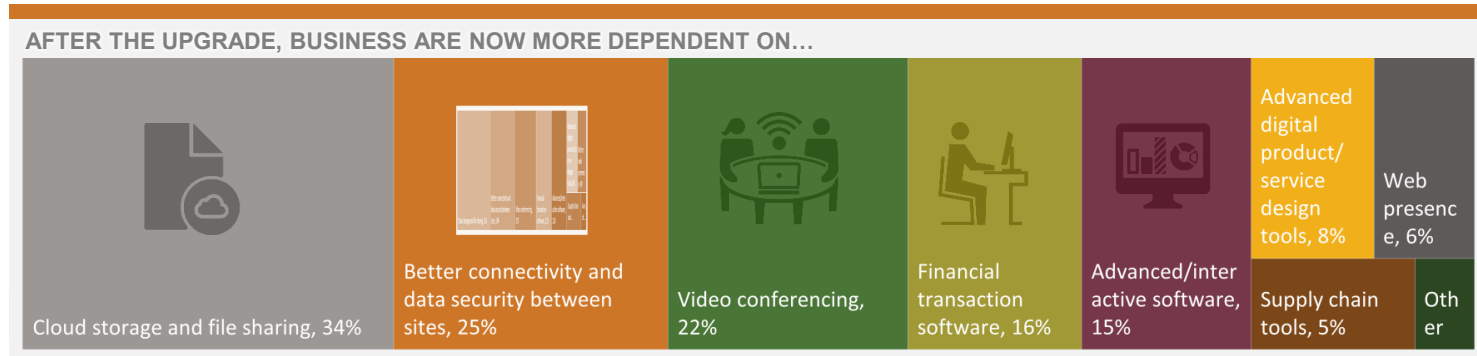
- Businesses reported a change in the **frequency** they use certain services:
  - 32% businesses said they started using cloud storage and file sharing services either for the first time or more often.
  - 22% of businesses said they started using video conferencing facilities for the first time or more often.
  - 17% of businesses said they were better connected and had data security between sites for the first time or more often.
- Businesses also reported changes in the **way** they use digital connectivity services:
  - 25% use cloud storage and file sharing services more efficiently.
  - 23% use their connectivity between sites more efficiently.
  - 16% use video conferencing more efficiently.
  - 20% use their richer web presence more efficiently.
  - 14% businesses use financial transaction software more efficiently.



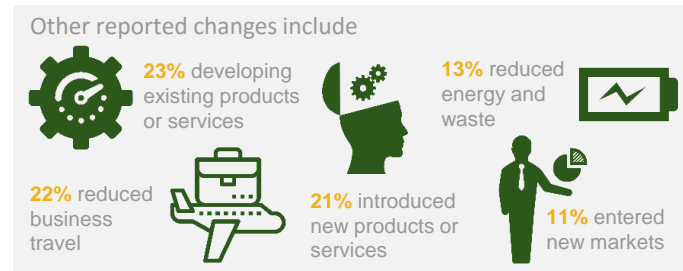
# Increased Digital Dependence Has Changed How Businesses Operate

Since upgrading their connection, clients have been able to do more while running their businesses:

- 58% have improved business efficiency
- 51% have shared larger files
- 27% have improved their website
- 23% have enhanced data security
- & 23% have been able to better process customer orders.



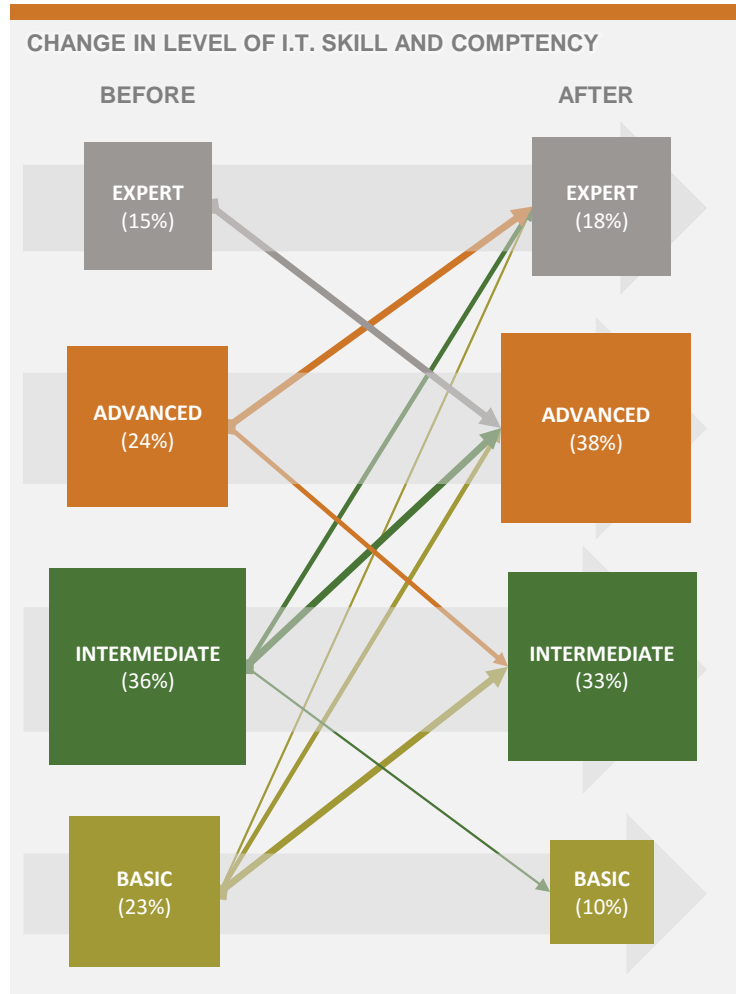
- More frequent and improved use of digital technologies has allowed business to make changes to how they operate
  - 33% invested in IT hardware and software
  - 31% implemented new business processes
  - 30% introduced more flexible working patterns
  - 24% engaged in better networking.
- The scheme played a large role in helping to bring about these digital connectivity and operational changes



**90%** of surveyed clients reported that the new broadband service was **extremely important** or **very important** in achieving these changes



# Impacts of the Programme



Note: arrow thickness indicates no. businesses

- Since upgrading their connections 30% of businesses have improved their level of I.T skills.
- The proportion describing themselves as Expert or Advanced rose from 39% to 56%
- This is explained by the enhanced use of digital technologies.
- Clients hold strong views on the important role of broadband in the competitiveness and reputation of cities

**86%** of clients **agree** or **strongly agree** with the statement that *“reliable broadband influences where businesses decide to base themselves.”*

**50%** of clients **agree** or **strongly agree** with the statement that *“I might have moved my business if faster broadband was not available in my areas.”*

**93%** of clients **agree** or **strongly agree** with the statement that *“faster broadband can make cities/locations more competitive.”*

**94%** of clients **agree** or **strongly agree** with the statement that *“fast and reliable broadband is good for a city’s image and reputation.”*



# Changes to Business Performance

- Greater use of digital technologies has influenced the day-to-day running of the businesses and helped them grow and improve their productivity.
- As a result of changes in their internet use:
  - 20% reported an increase in employment
  - 25% reported an increase in turnover
  - and 64% reported an increase in productivity.
- Most businesses have only grown their turnover and jobs numbers modestly, whereas productivity increases have tended to be large or moderate in size.
- Around one-third of survey respondents that report increases in employment, turnover or productivity would have invested in upgrading their connection regardless of the voucher. However, a sizeable portion of these clients would have invested in a lower quality service in terms of speed, reliability and overall service without the voucher.

75%

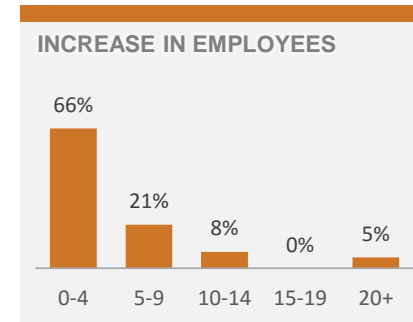
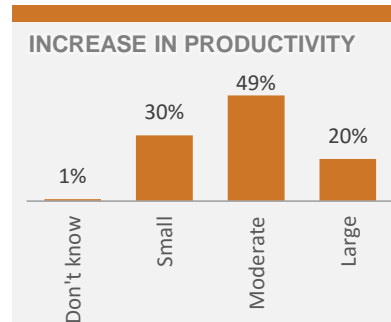
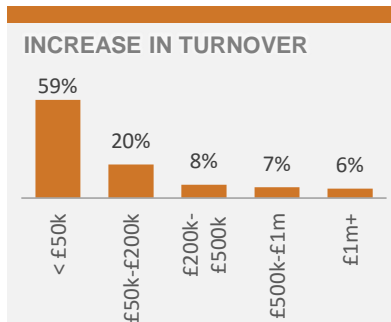
of clients reported that the new broadband service played a **moderate**, a **large** or a **very large role** in achieving these **employment changes**

77%

of clients reported that the new broadband service played a **moderate**, a **large** or a **very large role** in achieving these **turnover changes**

87%

of clients reported that the new broadband service played a **moderate**, a **large** or a **very large role** in achieving these **productivity changes**



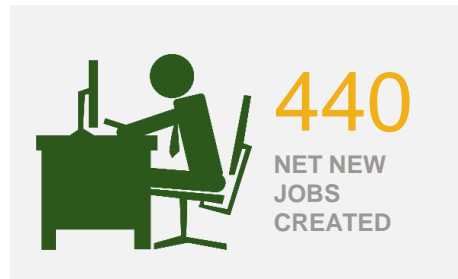


# Economic Impacts

The Connection Vouchers investment of £8.5m has generated a range of economic impacts...



**£201,860** Turnover per new job



**£19,500** Cost per new job



**£43,580** GVA per new job

For every £1 invested, the scheme has generated a return on investment of...

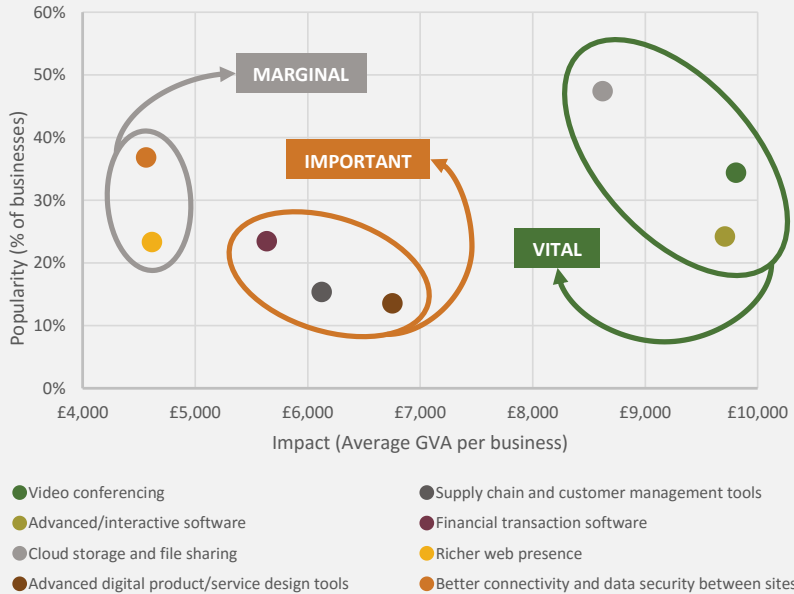


In the next three years, businesses expect to grow even further as a result of their upgraded connectivity and generate additional economic impacts



# Use of Digital Technologies & Level of I.T Drive Impact

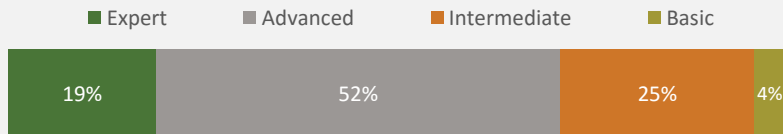
**BUSINESS PROCESSES BY SCALE OF IMPACT**



**96%** of the GVA impact generated is driven by businesses that reported an **increase in productivity**.

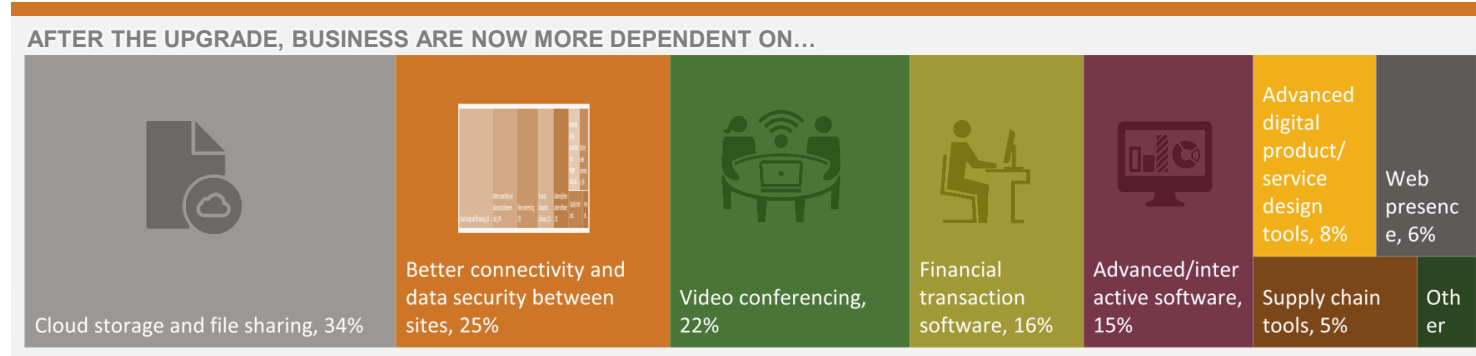
- The main drivers of productivity appear to be changes in the digital processes businesses use and their level of IT sophistication.
- Digital business processes could be grouped by how much impact they have generated from Marginal (lower impact) through to Vital (highest impact).
- Cloud Storage & File Sharing, Advanced & Interactive Software and Video Conferencing were the three popular business processes which also generated high impact among voucher recipients.
- Higher impact processes tend to be amongst the most popular
- Businesses that had a higher level of IT skill before their upgrade were more likely to generate bigger impacts.
  - 23% of businesses had a basic level of IT skill but only generated 4% of GVA, while the 24% of clients with advanced level of IT skill accounted for 52% of GVA impact.
- There was no discernible difference in impact achieved between business sectors.

**LEVEL OF I.T SKILL BEFORE VOUCHER BY SCALE OF GVA IMPACT**





# Increased Digital Dependence Changed How Businesses Operate



- Since upgrading their connection, businesses have reported being able to more dependent on some digital processes since receiving their upgrade:
  - 58% have improved business efficiency
  - 51% have shared larger files
  - 27% have improved their website
  - 23% have enhanced data security
  - & 23% have been able to better process customer orders.
- More frequent and improved use of digital technologies allows business to make changes to how they operate.
  - 33% invested in IT hardware and software
  - 31% implemented new business processes
  - 30% introduced more flexible working patterns.
  - Other reported changes include better networking (24%), developments to existing products/services (23%), reduced business travel (22%), introduction of new products/services (21%), reduced energy and waste (13%), and entering new markets (11%)
  - The connection vouchers scheme played a large role in helping to bring about these digital connectivity and operational changes.

**90%** of surveyed clients reported that the new broadband service was **extremely important** or **very important** in achieving these changes



# The Way Forward: Digital Business Growth

## Infrastructure

- 1. Not Spots:** the latest OFCOM Connected Nations Report 2015 shows that 13%\* of properties in Manchester still do not have access to superfast broadband, which means a lot of home workers and entrepreneurs may be struggling to get a good low cost connection. Greater Manchester authorities should engage with telecoms providers to encourage further investment in not spots and to upgrade existing fibre with ultrafast.
- 2. Expanding Fibre Footprint:** there are 22,000 SME business units in Manchester and over 100,000 across Greater Manchester. The scheme has connected 4,000 businesses, of which half were in Manchester. There is plenty of scope to roll-out more vouchers to connect more businesses and secure more growth. Any future scheme should:
  1. be driven as far as possible through landlords and operators to reach into the SME client base
  2. be targeted towards higher impact SMEs which tend to be those beyond a basic starting level of IT competence
  3. and, explore scope for co-investment from SMEs in ancillary services, software and hardware as an entry requirement.

## Exploitation

- 3. Getting On Line:** national promotional work to encourage all businesses to get on line and register their demand for and interest in better broadband should be capitalised upon.
- 4. Driving Up Productivity:** business support, digital skills and peer advice should be offered alongside any future voucher scheme to ensure SMEs have the knowledge they need to invest, learn and adapt. Some additional investigation is needed to see if support for basic-level users can shift them towards the expert territory and help them more quickly generate bigger impacts from digital-led growth investment.

## Role of Partners

- 5. Digital Strategy for Economic Growth:** the voucher scheme has operated in isolation from wider initiatives to support economic growth. There is a case for developing a city or city-region digital strategy which brings together the business growth agenda alongside the community, learning and public service aspects of digital to set out a shared vision of the priorities for local digital-led growth.
- 6. Engage with Service Providers:** closer engagement with the market would help public sector bodies to secure intelligence on actual coverage, uptake and investment plans. This would ensure better understanding of the commercial and competitive challenges encountered by operators. These insights should help unlock additional coverage and direct investment to priority sectors, locations with growth potential and new developments.
- 7. Champion Success:** opportunities to promote Greater Manchester as a hot spot of digital business connectivity and exploitation should be harnessed. This should include assertively ensuring local businesses are put forward for awards, prioritising digital inward investment opportunities and ensuring the city –region is well represented in Tech UK and initiatives such as Wired Score to promote the local offer.
- 8. Research & Innovation Beacons:** initiatives such as Project Forward, Sharp Project, Media-CityUK, the Rise, Innospace and the Landing should be further developed in order to promote & accelerate digital start up locations. Links to universities and nearby centres of excellence such as Jodrell Bank & Daresbury should be further harnessed. And, any opportunities to bid for major national centres of excellence relevant to the digital sector (including big data, smart cities, digital media) should also be assertively pursued.

\*Other more recent figures are available from different sources & suggest higher coverage